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U. S. DEPARTMENT OF AGRICULTURE

CROPS AND MARKETS

FOR RELEASE MONDAY, AUGUST 26, 1957

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PAGE

COTTON

India's Cotton Production at Last Year's Level	12
Japan Plans To Reduce Cotton Imports.....	13
Belgium Increases Imports of U.S. Cotton	14
Canada's Cotton Consumption Down Slightly in 1956-57	15
Peru's Cotton Exports Below Last Year's High	16
India Increases Imports of Egyptian Cotton.....	17
U.S. Exports Less American-Egyptian Cotton in June	18

DAIRY AND POULTRY PRODUCTS

New Zealand Completes Dairy Year	10
New Zealand Plans Increase in Rindless Cheese	10
West German Import Tender for U.S. Poultry	11
Canadian Butter Consumption Still Exceeds Production	11

FATS, OILSEEDS, AND OILS

Burma's Peanut Production Down in 1956-57	19
Yugoslavia's Soybean Production Expected To Increase in 1957	19
Sweden's Oilseed Production Recovers	19
Indonesian Copra Exports in June Lowest of Year	20

FOREIGN TRADE DEVELOPMENTS

New Zealand Freight Rates Increased; Australian Rates Stabilized Until 1958	17
Australia Modifies Import Licensing System.....	20

FRUITS, VEGETABLES, AND NUTS

Ireland Lifts Special Import Levy on Dried Fruit; Substitutes Lower Duty	15
Forecast of Portuguese 1957 Almond Crop Increased	15
West Germany Announces Import Tender for Table Apples and Pears	20
Turkey Sets New Support Prices and Export Subsidies on Raisins and Dried Figs.....	21
Estimate of Prospective Yugoslav Dried Prune Production Reduced	21
West German Import Tender for Tomato Puree	22
Sicilian Lemon Crop Down	22
Forecast Increases Tonnage of Spanish Filbert Crop	22

(Continued on following page)

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CONTENTS
(Continued from Cover Page)

	Page
GRAINS, GRAIN PRODUCTS, SEEDS, AND FEEDS	
Japan's Rice Crop Forecast Down Slightly.....	5
Philippine Republic Authorizes Increased Rice Imports.....	6
Panama's Rice Supplies at Low Level.....	7
Mexico's Bean Crop Small.....	7
U. S. Not Faring Well Under West Germany's New Import Procedure for Quality Wheat.....	8
Ireland Fixes Feeding Barley Support Price for 1957 Crop.....	9
Tunisia Harvests Larger Grain Crop.....	10
France Expected To Announce New Fixed Prices for 1957 Grain Crops.....	26
Australia Gains Wider Outlet for Its Wheat in Japanese Market.....	29
Northern Hemisphere Wheat Crop Expected To Be Less Than in 1956.....	30
Austria's Grain Prospects Deteriorating.....	31
LIVESTOCK AND MEAT PRODUCTS	
Australia Extends Premium Period on Beef.....	13
Canadian Livestock Numbers Rise.....	23
New Zealand Meat Production Near Last Year's.....	24
U. S. Tallow and Grease Exports Down Slightly in January-June.....	24
Danish Pork Prices Drop.....	26
U. S. Meat Exports Rise.....	26
East German Cattle Numbers Low.....	28
TOBACCO	
U. S. Tobacco Exports Up Sharply in June.....	3
French Leaf Tobacco Imports Up 5 Percent.....	4
India's Cigarette Output Continues To Rise.....	5
Egypt Raises Tobacco Import Duties.....	5
Canadian Flue-Cured Crop Reduced by Storms.....	5
Portuguese Tobacco Monopoly Leases Expire December 1957.....	5

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FOREIGN CROPS AND MARKETS

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U. S. TOBACCO EXPORTS UP SHARPLY IN JUNE

United States exports of unmanufactured tobacco in June 1957 were the largest for any month to date in this calendar year. At 39.9 million pounds, with a value of \$28.7 million, exports were about 31 percent greater than those for June 1956.

Exports of all kinds of tobacco, except Maryland, exceeded those for June 1956. Flue-cured exports were 26 percent larger than those for the corresponding month a year ago. Burley was up 25 percent, and shipments of dark-fired Kentucky-Tennessee were nearly 3 times the June 1956 level.

For the January-June 1957 period, total exports of unmanufactured tobacco were 5.5 percent below those for the same 6-month period of 1956. The value of January-June 1957 exports, however, was \$129.7 million--up 4.5 percent--reflecting higher prices being paid for U. S. tobaccos.

TOBACCO, UNMANUFACTURED: U. S. exports, by type and export weight, January-June 1956 and 1957, with percent change

Type	June		Percent Change	January-June		Percent Change
	1956	1957		1956	1957	
	1,000 pounds		Percent	1,000 pounds		Percent
Flue-cured.....	24,006	30,222	+ 25.9	156,078	145,963	- 6.5
Burley.....	3,297	4,122	+ 25.0	14,129	13,248	- 6.2
Dark-fired Ky.-Tenn.	1,099	3,082	+ 180.4	12,506	11,889	- 4.9
Va. fire-cured 1/	224	280	+ 25.0	2,340	2,213	- 5.4
Maryland.....	920	503	- 45.3	6,407	6,366	- .6
Green River.....	--	17	--	571	684	+ 19.8
One Sucker.....	--	28	--	81	1,304	--
Black Fat.....	296	460	+ 55.4	2,082	1,880	- 9.7
Cigar wrapper.....	355	630	+ 77.5	2,127	2,238	+ 5.2
Cigar binder.....	116	179	+ 54.3	1,156	657	- 43.2
Cigar filler.....	--	7	--	309	36	- 88.3
Other.....	192	372	+ 93.8	1,641	2,006	+ 22.2
Total.....	30,505	39,902	+ 30.8	199,427	188,484	- 5.5
Declared value (million dollars).....	18.7	28.7	+ 53.5	124.1	129.7	+ 4.5
1/ Includes sun-cured.						

United States exports of tobacco products in June 1957 totaled \$7.1 million--up 6 percent from June 1956. Exports of cigars and cheroots were 52 percent larger than those in June a year ago. Smoking tobacco in bulk showed a 31 percent increase, but cigarettes dropped 5 percent. For the 6-month period January-June 1957, however, exports of cigarettes were 5 percent larger than for the corresponding period last year. Exports of smoking tobacco in bulk were down 19 percent and shipments of cigars and cheroots were 2 percent smaller.

TOBACCO PRODUCTS: U. S. exports, January-June 1956
and 1957, with percent change

Products	June		Percent Change	January-June		Percent Change
	1956	1957		1956	1957	
Cigars and cheroots						
(1,000 pieces).....	382	580	+51.8	3,591	3,510	- 2.3
Cigarettes						
(million pieces).....	1,568	1,491	- 4.9	7,618	8,029	+ 5.4
Smoking tobacco in bulk						
(1,000 pounds).....	931	1,216	+30.6	3,127	2,530	-19.1
Declared value 1/ (million dollars)....	6.7	7.1	+ 6.0	32.1	34.4	+ 7.2

1/ Includes value of tobacco manufactures not separately shown.

Compiled in the Foreign Agricultural Service from records of the Bureau of the Census.

FRENCH LEAF TOBACCO IMPORTS
UP 5 PERCENT

Imports of unmanufactured tobacco by the French Tobacco Monopoly during the first quarter of 1957 totaled 20.0 million pounds, an increase of 5 percent over the January-March 1956 level of 19.1 million. The increase occurred in larger takings from the United States, Brazil, Yugoslavia, and Turkey. Combined imports from the franc zone, particularly Algeria, the Cameroons, and French Equatorial Africa, declined from 5.6 million pounds in January-March 1956 to .8 million in January-March 1957.

Imports of United States tobaccos, totaling 2.4 million pounds, were 41 percent above the January-March 1956 level of 1.7 million. Combined takings of oriental leaf from Greece, Yugoslavia, and Turkey amounted to 11.0 million pounds, compared with 6.8 million in the first quarter of 1956. Average reported prices paid by the Monopoly for imported leaf from various countries during January-March 1957 were, in terms of U. S. cents per pound: Colombia--22.0; French Equatorial Africa--38.9; Brazil--41.9; Yugoslavia--43.9; Greece--56.6; Turkey--64.2; and the United States--65.5.

INDIA'S CIGARETTE OUTPUT CONTINUES TO RISE

Output of cigarettes in India continued upward through 1956. Production amounted to 26.2 billion pieces, 15 percent more than the 1955 level of 22.8 billion.

EGYPT RAISES TOBACCO IMPORT DUTIES

Egyptian import duties on tobacco have been increased the equivalent of 66 U.S. cents per pound by a presidential decree published in the Official Journal of July 2, 1957. The import duty on unmanufactured tobacco is raised from the equivalent of U. S. \$3.91 to U. S. \$4.56 per pound. The duty on tobacco products is increased from \$5.21 to \$5.86 per pound.

In addition to the tariff on imported leaf, manufacturers must pay various small duties and fees based on the leaf value. Moreover, importers must pay substantial premiums to obtain dollars on the free market with which to purchase U. S. tobacco.

STORMS REDUCE CANADIAN FLUE-CURED CROP

Heavy rains, hail, and high winds cut a swath through the flue-cured area of Southern Ontario during the first week in August. Damage was severe in the affected area, and earlier forecasts of a 175-million-pound flue-cured crop have been reduced. The 1957 flue-cured crop is now forecast at about 165 million pounds, and the total crop of all tobaccos at 179 million pounds.

PORTUGUESE TOBACCO MONOPOLY LEASES EXPIRE DECEMBER 1957

Exclusive leases granted two firms to manufacture tobacco products in Portugal were scheduled to expire July 31, 1957, but have been temporarily extended until December 31, 1957. The primary obstacle to arranging new leases is reported to be the question of manufacturers' profits. Tobacco prices, together with other costs, have risen in recent years, and profit margins have been squeezed, due to rigidly controlled sales prices for tobacco products.

JAPAN'S RICE CROP FORECAST DOWN SLIGHTLY

Japan's rice crop of 1957 is forecast at 10,300,000 metric tons of brown rice (28,250 million pounds of rough rice), only slightly less than the 10,456,000 (28,670 million pounds) produced in 1956. The record 1955 crop was 11,855,000 tons (32,505 million pounds), according to official figures, and during 1950-54 production averaged 9,187 tons (25,190 million pounds) a year. Except for some flooded areas, the crop condition to date has been good, especially in East Japan.

PHILIPPINE REPUBLIC AUTHORIZES INCREASED RICE IMPORTS

The Philippine Government has authorized the importation of 100,000 metric tons of rice in 1957 by the NARIC (National Rice and Corn Corporation). This is substantially above rice imports of recent years. Prospects are that import requirements will be at a continued higher rate in 1958.

Rice arrivals through July 18, 1957, amounted to 39,365 tons. Except for 6,150 tons from Spain in exchange for sugar, all shipments were from Thailand with c. & f. values at \$91 to \$93 (\$4.13 to \$4.22 per 100 pounds). The Thai rice was of low-grade quality, with 50-to 75-percent broken. This rice is mixed half and half with local second class Macan rice, and retails at 85 pesos per ganta (8.4 cents per pound).

Philippine rice prices during the first half of 1957 were higher than in the same period of 1956. Wholesale prices of Macan, second class, during the first 6-month period this year averaged \$7.76 per 100 pounds, compared with \$7.39 per 100 pounds in January-June 1956. A sharp rise occurred in June and July, when prices of the comparable grade were \$8.36 and \$8.77 per 100 pounds, respectively.

RICE (MILLED): Philippine monthly wholesale prices of Macan, second class, at Manila per 100 pounds, 1952-1956, and January-July, 1957

Month	: 1952	: 1953	: 1954	: 1955	: 1956	: 1957
	: U.S.	: U.S.	: U.S.	: U.S.	: U.S.	: U.S.
	: dollars	: dollars	: dollars	: dollars	: dollars	: dollars
January.....	8.40	7.46	6.28	6.69	6.80	7.17
February.....	9.42	7.29	6.06	6.84	7.15	7.55
March.....	9.42	7.10	6.07	7.34	7.47	7.77
April.....	9.50	7.26	6.51	7.72	7.64	7.79
May.....	9.70	7.26	6.92	7.85	7.65	7.89
June.....	10.02	7.30	7.33	8.06	7.65	8.36
July.....	10.15	7.30	7.58	8.49	7.65	8.77
August.....	10.23	7.36	7.99	8.43	7.64	--
September.....	10.43	7.36	unquoted	8.37	7.63	--
October.....	9.82	7.51	"	8.33	7.56	--
November.....	9.82	unquoted	7.44	7.85	7.54	--
December.....	8.20	7.16	6.97	7.76	7.40	--
Average.....	9.59	7.31	6.91	7.81	7.48	--

Bureau of Commerce, Philippine Republic.

The higher Philippine prices are attributed to speculative buying due to possible legislation regarding price supports to producers. Government agencies, in order to prevent cornering of the new crop by private buyers, intensified purchasing operations at higher prices. In turn, these higher prices paid for paddy resulted in an increase in the price of milled rice.

Philippine rice production in 1957-58 (July-June) is forecast at 7,564 million pounds of rough rice, a new record. Production in 1956-57 was 7,415 million pounds, and the output in the 1950-51/54-55 average period was 6,603 million pounds. The gain in production will be just about sufficient to supply the yearly increase in population, so it is believed rice imports will be required at about the same rate as in 1957 in order to supplement the domestic crop.

PANAMA'S RICE SUPPLIES AT LOW LEVEL

Rice supplies in Panama may be insufficient for domestic requirements before the new crop is harvested. Lack of rainfall delayed rice plantings from 30 to 45 days throughout the country, and rice from the first crop is not expected before October.

Rough rice production in 1956-57 of 215.9 million pounds approximated the 1955-56 crop, but was much below the record harvest of 245 million pounds in 1953-54. Though rice acreage in both seasons exceeded that of previous years, the output was cut by very low yields per acre harvested.

Production by small planters, which accounts for 80 percent of total outturn, may be reduced this year because many of the first plantings and best seeds were lost. A substantial amount of new land, however, was put into rice by large commercial growers in Chiriqui and Central Provinces. The Panamanian Institute of Economic Development provided supervised credits up to \$200,000 to Chiriqui rice growers, and required that plantings be on new rice lands.

MEXICO'S BEAN CROP SMALL

Preliminary reports indicate that Mexico's 1957 dry edible bean crop will be much smaller than the large crops of the last 3 years. Some 8.6 million bags were produced in 1956. But with 2.6 million bags of stocks available to CEIMSA (a semi-official food-distributing and price-regulating agency), bean supplies are expected to meet Mexican needs this season.

Contrary to rumors in the United States trade, the "free zone" of Mexico has not been closed to imports. In fact, U. S. exports to Mexico in the period September 1956-June 1957 totaled 155,000 bags. In the first 10 months of the marketing year 1955-56, exports were 199,000 bags, and in the corresponding 10-month period of 1954-55 they totaled 162,000.

U. S. NOT FARING WELL UNDER WEST GERMANY'S NEW IMPORT PROCEDURE FOR QUALITY WHEAT

West Germany's imports of quality wheat during the first 7 weeks' (June 3-July 21) operation of that country's new wheat import procedure totaled 400,100 metric tons (14.7 million bushels). Of that total, Canada supplied approximately 45 percent, Argentina 34 percent, and the United States 21 percent. Normally, about 70 percent of West Germany's wheat imports are supplied by these 3 countries. Official and trade sources report, however, that the United States will have opportunities to obtain a larger share of the total during coming months.

The government's Grain Import and Storage Agency controls the Republic's foreign trade in grain. The new import procedure, effective June 1 until further notice, authorizes the agency to permit weekly imports of 50,000 metric tons (1.8 million bushels) of quality wheat from the United States, Canada, and Argentina. Importers are allowed to divide purchase of the weekly total among the three sources of supply as they see fit. Purchase authorizations apply only to quality wheat destined directly for West German commercial markets and not to wheat for government stocks.

Under the old system, which applied to all types and grades of wheat, the Import and Storage Agency controlled not only the type, quality, and quantity of wheat that could be imported, but also the country or countries from which it could be imported and how much from each. This procedure still applies to imports of other than quality wheat.

The new procedure enables importers to regulate their purchases to accord with supply and demand conditions and to take full advantage of price fluctuations. West German traders expect that quality wheat imports under the new program will be on a more competitive basis than formerly. As actual consumption requirements range between 1.2 and 1.3 million tons annually--about 25,000 tons weekly--importers eventually will have to reduce their weekly purchases to well under the current 50,000-ton maximum in order to prevent over-supplying the market.

QUALITY WHEAT: West German imports, June 3-July 21, 1957

Week	: From : :United States:	: From : :Canada	: From : :Argentina :	: Total
	: Metric : : tons :	: Metric : : tons :	: Metric : : tons :	: Metric : : tons :
June 3-9.....	4,850 :	26,600 :	28,550 :	60,000
June 10-16.....	7,600 :	1/ 28,250 :	14,650 :	50,500
June 17-23.....	13,650 :	2/ 4,300 :	11,500 :	29,450
June 24-30.....	28,000 :	7,250 :	6,000 :	41,250
July 1-7.....	- :	83,150 :	4,000 :	87,150
July 8-14.....	3/ 8,000 :	18,800 :	24,500 :	51,300
July 15-21.....	20,750 :	11,500 :	48,200 :	80,450
Total.....	82,850 :	179,850 :	137,400 :	400,100

1/ Excluding 10,000 tons of durum wheat for Federal Reserve stocks. 2/ Excluding 25,400 tons for Federal Reserve stocks. 3/ Excluding 30,200 tons for Federal Reserve stocks.

IRELAND FIXES FEEDING BARLEY SUPPORT PRICE FOR 1957 CROP

Ireland's Minister for Agriculture announced recently that Grain Importers (Eire) Ltd., a State-sponsored company, has been authorized to purchase at a guaranteed price of 48s. per barrel of 224 pounds (\$1.44 per bushel) all dried feeding barley of the 1957 crop which is offered to it by its agents and which meets grade standards.

The purchasing agency referred to has exercised a monopoly over the country's grain imports since its establishment in 1940. In addition, it operates as a residual marketing agency for domestically produced wheat and barley. The new 1957 feed barley crop is estimated at 450,000 long tons, an increase of 50 percent over last year's record of approximately 300,000 tons.

The guaranteed price for the 1957 crop is applicable to feeding barley of average quality, and with a moisture content of 20 percent or less, delivered to the agency's store or receiving depot. Deductions will be made at the rate of 1s. per barrel in respect of each 1 percent moisture above 20 percent up to 24 percent, and 2s. per barrel for each additional 1 percent moisture over 24 percent to a maximum of 26 percent. The guaranteed price will enable the agents to pay growers 40s. per barrel (\$1.20 per bushel), the same as a year ago, for feed barley meeting the specified standard.

The Minister for Agriculture has announced that no imports of feed barley will be permitted until all barley of the 1957 crop has been consumed (see Foreign Crops and Markets, August 12), and that all distribution of imported barley by Grain Importers (Eire) Ltd. will cease as soon as the home crop becomes available. The Minister has also stated that the agency's distribution of imported corn in 1957-58 will not exceed the current level. The government's policy for the past few years has been to hold down the production of wheat to about 75 percent of domestic requirements and promote increased production of coarse grains, especially barley, and increased live-stock feeding.

A statement issued by the N.F.A. (National Farmers' Association) says: "The N.F.A. welcomes the decision of the Minister to stabilize the feeding barley market There has been a large increase in the area under feeding barley this year, as a result of which we may hope to harvest almost the entire coarse grain needs of the country As Grain Importers (Eire) Ltd. will be handling a large stock of barley for sale during the year at the discretion of the Minister, we can look to the Minister to ensure that this is made available to pig feeders without unreasonable additions to the price"

A new price of 63s. 6d. per barrel (\$1.90 per bushel) for Ireland's 1957 crop of malting barley was agreed on by a negotiating committee of malting barley growers and Arthur Guinness, Son and Co. (Dublin) Ltd. early in 1957 (see Foreign Crops and Markets, February 18, 1957). This is the guaranteed price for malting barley grown under contract and with a moisture content between 19 and 21 percent. Premiums and discounts are authorized for malting barley running higher and lower in moisture content.

TUNISIA HARVESTS LARGER GRAIN CROP

The 1957 harvest of major grains in Tunisia was about one-fourth larger than 1956 production, according to official estimates. The largest increase reported was for hard wheat, which is up sharply, while soft wheat is less than last year. Barley production is reported at 10.7 million bushels, about 50 percent above the 1956 crop.

Total wheat production is now estimated at 20 million bushels, compared with 17.5 million a year ago. Acreage of both hard and soft wheat is moderately above 1956 acreage. Grain import requirements will be somewhat less than the 100,000 metric tons imported during 1956-57. Most of that quantity was soft wheat, partly offset by exports of 70,000 tons of durum and durum products. It appears likely that Tunisia will be a net exporter of grain this season.

As of June 29 the government set rates to be paid growers as provisional advances for grain of the 1957 crop. Final basic prices are to be fixed later. Advances were set at the equivalent of \$2.14 per bushel for soft wheat, \$2.41 for durum, and \$1.19 per bushel for barley.

NEW ZEALAND COMPLETES DAIRY YEAR

For the 1956-57 season (ending June 30), butterfat used by New Zealand dairy factories for the manufacture of butter, cheese, and other whole milk dairy products totaled 454.4 million pounds, a decline of 1.3 percent from that utilized during 1955-56.

Recent reports indicate that the trend away from dairying continues, particularly in Southland and to a lesser degree in some areas of Wellington and Hawke's Bay. Some small dairy companies in these districts have closed, while some companies, faced with diminishing manufacturing supplies, have combined with other companies. Weather conditions generally have been mild during the winter months, except for extreme cold in the far South. Stock are in good condition.

NEW ZEALAND PLANS INCREASE IN RINDLESS CHEESE

During the year ended March 31, 1957, New Zealand produced about 9.0 million pounds of rindless cheese, principally for the United Kingdom market (see Foreign Crops and Markets, January 7, 1957). Although still on an experimental basis, manufacture of this type cheese is expected to reach 13.4 million pounds this year.

The cheese is packed for export in cardboard or wooden boxes. While both types of containers have met transportation and handling requirements, a mold growth has developed on the surface of the cheese. Manufacturers hope to overcome this problem before attempting to broaden the market.

WEST GERMAN IMPORT TENDER
FOR U. S. POULTRY

An import tender for poultry from the United States (chickens, turkeys, and ducks) was published in the West German Federal Bulletin, Bundesanzeiger, August 6, 1957. The principal regulations included in the tender are:

1. Deadline for the submission of applications for import licenses: March 31, 1958;
2. Deadline for contracting: 3 months after receiving the import license;
3. Deadline for customs clearance: 6 months after receiving the import license;
4. Each shipment must be accompanied by an official U.S.D.A. grading certificate issued at inland point of inspection in the United States;
5. All shipments must be U. S. Grade A. The birds must be completely plucked and eviscerated. Intestines, head, and feet must be removed. Edible offal, after thorough cleaning, must be included with the birds. Ante or post mortem treatment with antibiotics is prohibited;
6. Only the importation of whole birds is permitted.

CANADIAN BUTTER CONSUMPTION
STILL EXCEEDS PRODUCTION

Canadian butter production so far this year continues at the lowest level since 1952. Preliminary figures indicate that creamery butter output in the first half of 1957 was 124.6 million pounds, about 9 percent under the first half of 1956. Although this indicates a recovery over the first quarter, when production was 21 percent under 1956 (see Foreign Crops and Markets, May 20, 1957), consumption still exceeds production. Domestic disappearance in the first 6 months of 1957 was 153.6 million pounds, 4.4 percent over the same period last year.

Private trade is purchasing most of present production; the government is reportedly buying very little butter under the 58-cent-per-pound support price. Stocks of creamery butter on July 1, 1957, were 59.2 million pounds, against 88.7 a year ago. The government recently announced removal on August 31, 1957, of the 21-cent-per-pound subsidy paid on creamery butter to hospitals and non-profit institutions. The Canadian Federation of Agriculture believes the support price should be raised to 62 cents per pound to encourage production, and that if increased imports should become necessary, the Agricultural Support Board should handle them.

Diversion of milk from cheese to butter manufacture might solve the problem. Cheddar cheese production during January-June 1957 was 37.9 million pounds, 19 percent over the same period in 1956. Consumption and stock data are not yet available for this period, but cheese consumption does not appear to be keeping pace with production.

INDIA'S COTTON PRODUCTION AT LAST YEAR'S LEVEL

India's 1956-57 cotton production of 4,060,000 bales (500 pounds gross) represents a slight increase from the 1955-56 crop of 4,000,000 bales although cotton acreage declined about 1 percent. The final official estimate, recently released, placed 1956-57 acreage at 19,843,000 acres, compared with 19,978,000 acres in 1955-56. The increase in production was mostly in the long and medium staple varieties, such as Americans, Jarila, H. 420, and Oomras. Decreased production was reported for Broach-Vijay, Dholleras, and Surti-Suyog varieties.

Cotton consumption in India has been gradually rising in recent years. Total consumption in 1955-56 was 4,265,000 bales, or 4 percent above consumption of 4,110,000 bales in 1954-55. Mill consumption during August-March 1956-57 ran about 5 percent ahead of that in 1955-56, with utilization of 2,843,000 bales, compared with 2,705,000 bales in August-March 1955-56. Nonmill cotton consumption is estimated at an annual rate of 220,000 bales.

India's cotton exports have been sharply curtailed in 1956-57. They amounted to only 201,000 bales in August-January, or 35 percent less than exports of 308,000 bales in the first 6 months of 1955-56. Japan is the principal destination of Indian cotton. Exports to that country in the current period were 83 percent of the total, in contrast to 47 percent a year ago. Small quantities also were exported to the United Kingdom, France, West Germany, Italy, the Netherlands, the United States, and Belgium. The Indian Government stopped export licensing of domestic-grown cotton, effective March 30, 1957.

India's cotton imports have increased as exports have declined, reflecting the rising consumption rate and the need for longer staple cottons. Total imports in August-January 1956-57 were 350,000 bales--77 percent higher than the 198,000 bales imported in August-January 1955-56. Imports from the United States reached 243,000 bales in August-January 1956-57, whereas they were only 2,000 bales a year earlier. Other imports in August-January 1956-57, with comparable 1955-56 figures in parentheses, were: Kenya 41,000 bales (53,000); the Sudan 29,000 (44,000), Tanganyika 16,000 (1,000); and Egypt 11,000 (92,000).

Cotton stocks at mills on March 31, 1957 were estimated at 1,161,000 bales, or 9 percent less than stocks of 1,283,000 bales held a year earlier.

Cotton prices in recent months have been generally very firm at or near ceiling levels. The official floor and ceiling prices of Indian cottons for the 1957-58 season announced June 12, 1957, will remain the same as in 1955-56. These are:

COTTON: India, floor and ceiling prices for the 1957-58 season

Variety and staple	Floor prices		Ceiling prices	
	Rupees	Equivalent	Rupees	Equivalent
	per	U. S. cents	per	U. S. cents
	candy 1/	per pound 2/	candy 1/	per pound 2/
Broach Vijay, Fine, 27/32"....:	565	15.06	970	25.86
Jarila, Fine, 25/32".....:	495	13.20	820	21.86
Bengal Desi, Fine.....:	3/	---	665	17.73

1/ One candy weighs 784 pounds. 2/ Converted at value of \$0.209 per rupee.

3/ Not available.

JAPAN PLANS TO REDUCE
COTTON IMPORTS

Japan's Ministry of International Trade and Industry announced on July 24, 1957, a further reduction from the original plan for cotton imports for spinning during April-September, the first half of the 1957-58 Japanese fiscal year. The original plan for imports of 1,200,000 bales was cut on June 13 by 200,000 bales (Foreign Crops and Markets, August 5, 1957).

The announcement on July 24 reduces the original 1,200,000 bales for spinning by a total of 290,000 bales or \$45 million worth of cotton. The deteriorating foreign currency situation is the principal reason for the reduction of cotton imports. Further reductions in the second half of the 1957-58 fiscal year may be necessary if the situation does not improve.

In addition to the above, a cut of 77,000 bales for nonmill use for the entire year is also planned from the original quantity of 297,000 bales for the Japanese fiscal year, April-March 1957-58.

AUSTRALIA EXTENDS PREMIUM
PERIOD ON BEEF

Australia's Minister for Primary Industry has announced that the present export premiums of 3d (\$.028) per pound on chilled beef and 4d (\$.037) per pound on frozen beef, which have been in effect for several months, will be maintained until at least the end of September. These premiums are paid out of funds received from the United Kingdom under provisions of the Australian-United Kingdom 15-year meat agreement.

Whenever the price of Australian beef on the United Kingdom market falls below the agreed-upon standard price, the United Kingdom makes deficiency payments for the difference. The Australian Meat Board estimates that about A£3,700,000 (\$6,048,000) will be paid to producers during 1957 (see Foreign Crops and Markets, March 18, 1957).

BELGIUM INCREASES IMPORTS OF U. S. COTTON

Belgium imported 167,000 bales (500 pounds gross) of United States cotton during August-February 1956-57. This was more than 8 times the imports of 19,000 bales during the same period in 1955-56. Total cotton imports were 319,000 bales, compared with 237,000 bales a year earlier. The United States share of imports in the current period increased to 52 percent from only 8 percent of the total imports for the comparable 7-month period a year ago.

Quantities imported from major sources during August-February 1956-57, with comparable 1955-56 figures in parentheses, were: United States 167,000 bales (19,000); Mexico 48,000 (68,000); Belgian Congo 49,000 (40,000) and Peru 25,000 (10,000).

Cotton consumption was at the highest level in 6 years during August-April 1956-57, with utilization of 354,000 bales, compared with 336,000 bales during the same months last year. Consumption of United States cotton this season was 119,000 bales, which was 34 percent of the total and up sharply from the 24,000 bales, or 7 percent of the total, in August-April 1955-56.

Stocks of raw cotton held by spinning mills on April 30, 1957, totaled 152,000 bales, 32 percent above stocks held 3 months earlier and 29 percent above stocks on April 30, 1956. Stocks of United States cotton increased to about 60 percent of the total on April 30, 1957, compared with about 48 percent at the end of January 1957.

Cotton prices remained relatively stable during March-June of this year, with the market relatively quiet. The market pipelines are supplied with adequate stocks, and cotton buyers are waiting for reports on the United States crop and on Mexican price policy. Belgian merchants anticipate increased activity in the cotton market and larger shipments after August 15.

Production of cotton yarn in Belgium during the quarter ended April 30, 1957, totaled 26,142 metric tons, 2.7 percent below the preceding quarter but 6.6 percent above the corresponding quarter a year earlier. Cotton yarn production during this quarter consisted of 24,643 metric tons of fine yarn and 1,499 metric tons of carded yarn.

Production of cotton fabrics during the quarter ended April 30, 1957, amounted to 22,448 metric tons, down 3.5 percent from the previous quarter, but 18.6 percent above the corresponding quarter last year.

CANADA'S COTTON CONSUMPTION DOWN SLIGHTLY IN 1956-57

Canada's cotton consumption during July 1957 showed less seasonal decline than for several years, but annual consumption during the entire 1956-57 season was down 2 percent from last year. Consumption in July 1957, as shown by bale openings, was 23,000 bales, compared with 28,000 in June and 20,000 in July 1956. Consumption during August-July 1956-57 was 372,000 bales, compared with 381,000 in 1955-56.

IRELAND LIFTS SPECIAL IMPORT LEVY ON DRIED FRUIT; SUBSTITUTES LOWER DUTY

Ireland's special import levy of 37-1/2 percent ad valorem on dried fruit has been removed, effective July 31, 1957. It has been replaced, the Irish Ministry of Finance has announced, by a 10 percent ad valorem duty. British Commonwealth countries will receive preferential treatment through a 6-2/3 percent ad valorem duty.

The regular duty of 10s. 6d., which applies to all countries, remains in effect.

The special levies on edible nut imports also have been removed; rates and conditions similar to those for dried fruits are now in effect.

FORECAST OF PORTUGUESE 1957 ALMOND CROP INCREASED

Portugal's 1957 almond crop is now expected to be a near-record 6,200 short tons, shelled basis, as a result of favorable growing conditions during the spring and early summer. Portugal's anticipated bumper almond harvest follows the short, frost-damaged 1956 crop, which at 2,800 tons, shelled basis, barely exceeded half the 1950-54 five-year average.

ALMONDS, SHELLED: Portugal, supply and distribution, estimated 1956-57, forecast 1957-58, marketing seasons beginning September 1

Item	1956-57	Forecast 1957-58
	Short tons	Short tons
Beginning stocks.....	100	100
Production.....	2,800	6,200
Total supply.....	2,900	6,300
Exports.....	1/ 3,200	5,300
Other disappearance.....	300	400
End stocks.....	100	600

1/ Estimated. Includes an allowance of 700 tons for almonds smuggled in from Spain and reexported.

PERU'S COTTON EXPORTS BELOW
LAST YEAR'S HIGH

Peru's cotton exports of 262,000 bales (500 pounds gross) during August-April 1956-57 were considerably below the unusually high exports of 324,000 bales in the same months of 1955-56, but about the same as in other recent years. Reduced exports of Tanguis cotton were partially offset by increased exports of the Pima and Karnak varieties.

Quantities exported to major destinations in August-April 1956-57, with comparable 1955-56 figures in parentheses, were: United Kingdom 50,000 bales (54,000); Belgium 46,000 (29,000); West Germany 32,000 (41,000); France 21,000 (22,000); Japan 18,000 (15,000); Netherlands 16,000 (21,000); Switzerland 14,000 (9,000); Argentina 13,000 (1,000); Italy 13,000 (1,000); India 11,000 (3,000); Denmark 9,000 (6,000); and the United States 6,000 (22,000). Quantities exported to Chile dropped from 70,000 bales in August-April 1955-56 to 1,000 bales in August-April 1956-57, and those to Colombia in the same periods from 16,000 to only 57.

Peru's 1956-57 cotton production is estimated at 510,000 bales, up 7 percent from production of 475,000 bales in 1955-56. Most of the increase was in the extra-long staple varieties, Pima and Karnak; up 53 percent from 70,000 bales in 1955-56 to a record 107,000 bales in 1956-57. Production of Tanguis and other varieties of long staple cotton was 403,000 bales in 1956-57, practically the same as 1955-56 production of 405,000 bales.

Production of Pima and Karnak varieties for the 1957-58 season, harvested principally during August and September, is tentatively estimated at 104,000 bales, about the same as in 1956-57.

Cost-of-production allowances for both the Pima-Karnak and the Tanguis crops were increased in 1957. This allowance, fixed every year, determines the cotton export tax, which is half the difference between the cost-of-production and the export price. An increase in the cost-of-production reduces the export tax but does not alter the export price, since the increase to the grower nullifies the decrease in the tax. The tax applies as income tax for the grower, and fluctuates according to the price of cotton.

The cost-of-production allowance for Tanguis (1956-57 crop) was increased March 29, 1957, from 500 soles per quintal (25.95 U.S. cents per pound) to 550 soles (28.54 cents). The allowance for Pima and Karnak (1957-58 crop) was increased June 30, 1957, from 619 soles per quintal (32.13 cents per pound) to 640 soles (33.22 cents).

Prices for Peru's Pima cotton have continued to decline in recent months, following the generally high levels in January-March 1957. Total export price (spot price plus export tax) for Pima I on August 8, 1957, was 53.93 U. S. cents per pound, compared with 63.94 cents on January 10, 1957. Prices of Tanguis cotton have increased since April and are now above the January level. Total export price for Tanguis 3½ on August 8, 1957 was 41.87 cents per pound, compared with 40.82 cents on January 10, 1957.

Cotton consumption in Peru is expected to reach 87,000 bales in 1956-57, an increase of 4 percent over utilization of 84,000 bales in 1955-56. The increasing rate reflects the gradual expansion of domestic demand for cotton goods, and the effect of tariff increases for the protection of the textile industry. Curtailment of yarn and cloth production early in the 1956-57 season because of strikes was overcome by increased mill activity later in the season. Port stocks on July 18, 1957, were reported at 159,000 bales, compared to 133,000 a year ago.

INDIA INCREASES IMPORTS OF EGYPTIAN COTTON

The Government of India announced August 12, 1957, that a further quantity of about 8,000 bales (500 pounds gross) of Egyptian cotton, stapling over 1-3/16 inches, would be allowed for import. This is in addition to the quantities previously authorized--16,000 bales on April 24, and 8,000 bales on August 5.

NEW ZEALAND FREIGHT RATES INCREASED; AUSTRALIAN RATES STABILIZED UNTIL 1958

Basic freight rates from New Zealand to the United Kingdom for refrigerated cargoes of dairy produce, meats, and fruits will be increased 12.75 percent beginning September 1. The new rates have resulted from negotiations between shipowners and such New Zealand organizations as the Meat Producers Board, Dairy Products Marketing Commission, and the Apple and Pear Board.

This new increase is the second for New Zealand over a period of years, while Australian rates have been increased significantly every 2 years since 1951. It is estimated that the cost to New Zealand will be about £1.75 million (\$4.9 million) per year.

The most recent change in Australian rates was in February 1957, when freight charges were increased by 14 percent (see Foreign Crops and Markets Aug. 27, 1956 and Jan. 14, 1957). Latest reports indicate that the United Kingdom Conference shipping lines have agreed to forego further increases in rates on all agricultural cargoes from Australia until sometime in 1958.

U. S. EXPORTS LESS AMERICAN-
EGYPTIAN COTTON IN JUNE

United States exports of American-Egyptian cotton during June 1957 were 1,188 bales of 500 pounds gross (1,117 running bales), down sharply from the 5,079 bales exported in May, and about half the exports of 2,236 bales in June 1956. Exports during the 11 months, August-June 1956-57, were 59,310 bales of 500 pounds gross (56,166 running bales), nearly 3 times as large as exports of 20,671 bales in August-June a year ago.

Competitive-bid sales for unrestricted use of the American-Egyptian cotton recently released from the National Stockpile began August 21, 1957. The next sale will be September 4, followed by weekly sales each Wednesday thereafter.

COTTON: U. S. exports of American-Egyptian cotton by country of destination, annual 1954 and 1955, August-June 1955-56 and 1956-57

(Bales of 500 pounds gross)

Country of destination	Year beginning August 1		August-June	
	1954	1955	1955-56	1956-57
Austria.....	0	0	0	1,322
Belgium.....	0	0	0	159
France.....	103	640	640	6,870
Germany, West.....	0	169	169	350
Ireland.....	0	0	0	210
Italy.....	0	233	0	4,899
Netherlands.....	0	0	0	34
Portugal.....	0	0	0	796
Spain.....	0	15,002	14,795	15,539
Sweden.....	0	3	3	211
Switzerland.....	0	272	228	992
Trieste.....	0	0	0	369
United Kingdom.....	93	96	33	21,610
Yugoslavia.....	0	1,315	1,315	398
Israel.....	240	1/	1/	0
India.....	0	603	311	952
Japan.....	0	21	21	4,545
Pakistan.....	0	3,156	3,156	0
Colombia.....	0	0	0	51
Other countries.....	0	45	0	3
Total 500-lb. bales.....	436	21,555	20,671	59,310
Total running bales.....	450	20,294	19,448	56,166

1/ Less than 1 bale.

Compiled from official records of the Bureau of the Census.

BURMA'S PEANUT PRODUCTION DOWN IN 1956-57

The final official estimate for peanut production in Burma in 1956-57 is 197,800 metric tons (unshelled), harvested from 813,330 acres. Figures for both production and acres harvested are down slightly from 1955-56, when an estimated 208,300 tons was harvested from 821,000 acres.

YUGOSLAVIA'S SOYBEAN PRODUCTION EXPECTED TO INCREASE IN 1957

Soybean production in Yugoslavia is forecast at 7,200 metric tons in 1957--up sharply from the 2,500 tons produced in 1956 and also considerably above the 1947-56 average of 2,800 tons. Yields are expected to be high in 1957, and the 15,000 acres planted are over twice the 7,200 acres harvested in 1956 and one-sixth above the 1947-56 average for acres harvested.

Although acreage planted to soybeans rose sharply in 1957, it is still far short of the 29,000 acres desired by the government in its plan to make Yugoslavia self-sufficient in vegetable oil production.

SWEDEN'S OILSEED PRODUCTION RECOVERS

Sweden's 1957 oilseed production is expected to total 169,000 short tons, over four and one-half times the outturn of 1956, which was reduced sharply by winter freeze. Rapeseed production, which represents 95 percent of the total, is expected to be almost six and one-half times last year's output and the largest since the 170,000 tons produced in 1954. Oilseed acreage is reported at 235,000 in contrast to only 72,000 acres last year.

OILSEEDS: Sweden, acreage, yield per acre, and production,
1956 and 1957

Oilseed	Acreage			Yield per acre			Production		
	1956	1957	1/	1956	1957	1/	1956	1957	1/
	1,000 acres			Pounds			1,000 short tons		
Winter rapeseed...	32.9	193.0	:	1,070	1,576	:	17.6	152.1	:
Spring rapeseed...	16.1	21.2	:	919	792	:	7.4	8.4	:
White mustard....	19.0	16.3	:	948	859	:	9.0	7.0	:
Flaxseed.....	4.2	4.2	:	857	714	:	2/ 1.8	3/ 1.5	:
Total.....	72.2	234.7	:			:	35.8	169.0	:

1/ Preliminary. 2/ 63,000 bushels. 3/ 55,000 bushels.

Compiled from official sources.

INDONESIAN COPRA EXPORTS IN JUNE LOWEST OF YEAR

Indonesian copra exports in June, preliminarily estimated at 9,784 long tons gross weight, were the smallest in any month of the current year. They were less than one-half the volume in May and one-third below that of June 1956. Other exports in June were: Palm kernels--2,181 short tons; palm oil--12,821 short tons; and copra cake--10,322 long tons.

January-June exports of copra, totaling 115,631 long tons, were nearly 40 percent higher than shipments during the first half of 1956. Average monthly shipments of copra from Indonesia in 1956 were 21,418 long tons, making a total of 257,021 tons, for the year compared with a monthly average in 1955 of 19,224 tons and a total of 230,692 tons.

AUSTRALIA MODIFIES IMPORT LICENSING SYSTEM

A revision of Australia's import licensing system, effective August 1, will affect certain U. S. agricultural export items.

Import licenses for cotton and hog casings will now be issued on a sales replacement basis whereby dealers will be able to import these commodities as they are sold. The theory is that the type and quality of the specified items, subject to this new ruling, should be determined in the market place rather than by government administrative selection.

Import quota increases of 20 percent have been authorized for vegetable oils, other than peanut oil, from non-dollar sources. Imports of vegetable oils from dollar areas are not liberalized and still remain under considerable exchange and licensing control.

Rosin is among a list of new commodities added to the "all countries budget," which provides for the licensing of imports from the cheapest source regardless of currency considerations.

Government import licensing regulations, generally, will still be maintained to avoid undue accumulation of stocks. Overall imports are not expected to increase to any great extent.

WEST GERMANY ANNOUNCES IMPORT TENDER FOR TABLE APPLES AND PEARS

The West German Government published an import tender on August 16 for table apples and pears from a number of countries, including the United States. No money or tonnage limits were announced. The arrival periods for these commodities are September-October, November, and December 1957, and the deadline for customs clearances are the last days of the arrival periods, or October 31, November 30, and December 31.

TURKEY SETS NEW SUPPORT PRICES AND EXPORT SUBSIDIES ON RAISINS AND DRIED FIGS

The Turkish Ministry of Economy and Commerce recently announced the 1957-58 season farm support prices and export subsidies for raisins and dried figs. They are compared below with 1956-57 levels, after conversion to U. S. cents per pound at the official exchange rate of 280 kurus per dollar. The export subsidy on figs does not apply to exports going to United States.

Item	1956-57			1957-58		
	Support:	Export	Net	Support :	Export	Net
	price :	subsidy 1/ :		price :	subsidy 1/ :	
	<u>U. S. cents per pound</u>					
Raisins, #9....	14.6 :	4.9 :	9.7 :	17.8 :	9.7 :	8.1
Dried figs, #6 :	9.7 :	2.4 :	7.3 :	12.1 :	4.0 :	8.1
Dried figs,	:	:	:	:	:	
industrial...	5.7 :	2.4 :	3.3 :	4.9 :	4.0 :	0.9
	:	:	:	:	:	

1/ To dollar, EPU, and sterling countries.

The increased support price for raisins is more than offset by the larger export subsidy so that the net effect is for a reduction in export price. In the case of dried edible figs, however, the increase in export subsidy is not as large as the increase of the support price.

The 1957-58 export subsidies applicable to trade with clearing-agreement countries are: 6.5 cents for raisins and 2.4 cents for edible and industrial dried figs.

YUGOSLAV 1957 DRIED PRUNE FORECAST REDUCED

The forecast for production of dried prunes in Yugoslavia during 1957 has been sharply reduced to 8,000 short tons. The previous forecast was 14,000 tons. While anticipated production of dried prunes is well above the very small 1956 output, it still remains substantially below the 1950-54 average of 17,600 tons.

The total fresh prune harvest in Yugoslavia is expected to be less than average. However, proposed government prices for dried prunes are not considered high enough to induce peasants to dry large quantities. Yugoslav prunes are expected to size up well due to good weather this season. Some 5,000 tons of dried prunes from the current crop may be available for export to Eastern European countries, West Germany, and Western Europe. This would be an increase over the negligible quantity exported in 1956-57, but only a fraction of the 29,300 tons exported in 1955-56.

NEW WEST GERMAN IMPORT TENDER FOR TOMATO PUREE

The Federal Republic of Germany has published a new import tender for tomato puree from the dollar area. Applications for import licenses must be submitted prior to December 27, 1957, and the deadline for customs clearance is December 31.

The tender provides for imports of tomato puree in airtight containers and jars. Tomato juice with a dry-matter content of 7 percent or more is considered as tomato puree.

SICILIAN LEMON CROP DOWN

Trade sources estimate that the Sicilian lemon crop will be considerably below the large crop of last year. Hot moist winds caused heavy damage to blossoms during June, and frost damage was experienced in February in certain areas.

Yield is expected to be particularly small in the Syracuse and Cape d'Orlando areas. Heaviest damage has been to Primofiore lemons, which are picked in October and November. Some late flowering occurred which will produce fruit in March or April; but quality of these late lemons is expected to be poor.

The mandarin crop is predicted as being about the same size as last year. The fruit is mostly from first blossoms and thus is expected to be of good quality and size.

A good crop of all types of oranges is forecast, with crops of Sanguino and Sanguinello types above last year's levels.

FORECAST INCREASES TONNAGE OF SPANISH FILBERT CROP

The current forecast for the 1957 Spanish filbert crop is 19,500 short tons, in-shell--approximately the tonnage harvested in 1956, and 15 percent above the tonnage quoted in earlier forecasts. Ample spring rains have caused the crop to develop satisfactorily, leading to predictions that the nuts will be of good quality and above-average size. The prospective Spanish filbert crop is about 40 percent larger than the 1950-54 five-year average of 13,800 tons.

Exports of Spanish filberts, including an allowance for smuggling, are believed to have approximated 15,000 short tons, in-shell basis, in 1956-57.

CANADIAN LIVESTOCK
NUMBERS RISE

Canadian cattle numbers on June 1, 1957, were about 3 percent above those in June 1956, continuing a steady rise since the low of 1951. Sheep and hog numbers, which have trended downward the last few years, also showed a slight rise in June 1957 over June 1956. Horse numbers continued their steady decline.

Increasing numbers of beef breeding cattle and prospects for a large fall pig crop indicate further expansion of Canadian meat production in 1958. Meat production has been rising since 1951, and has been accompanied by a steady increase in the demand for meat, as consumers have profited by continued expansion of the Canadian economy. Abundant feed supplies have encouraged the production of grain-fattened livestock.

The rise in cattle numbers was due to an increase in beef cattle, as the number of milk cows declined slightly from June 1, 1956. The greatest relative increase was in beef breeding stock, indicating that producers expect to continue to increase the size of their herds. The largest increase in beef cows was in the important range cattle area of Alberta, where cow numbers rose from 734,000 in June 1, 1956, to 770,000 in June 1, 1957. Only in British Columbia did beef cow numbers decline from 1956 levels.

Sheep numbers made a gradual recovery from the low in June 1, 1956, although numbers are still about one-half the record inventory of 3,213,000 in June 1944.

LIVESTOCK ON FARMS: Canada 1/, June 1, 1953-57, with
percent change from previous year

Year	Cattle		Hogs		Sheep		Horses	
	Number	Change	Number	Change	Number	Change	Number	Change
	: 1,000 : head	: Per- : cent	: 1,000 : head	: Per- : cent	: 1,000 : head	: Per- : cent	: 1,000 : head	: Per- : cent
1953.....	9,762:	+6:	4,447:	-23:	1,721:	+8:	1,096:	-7
1954.....	9,954:	+2:	5,141:	+16:	1,804:	+5:	993:	-9
1954.....	10,239:	+3:	6,075:	+18:	1,723:	-4:	901:	-9
1956.....	<u>2</u> 11,011:	+8:	<u>2</u> 4,731:	-22:	<u>2</u> 1,620:	-6:	<u>2</u> 782:	-13
1957.....	11,296:	+3:	4,857:	+3:	1,661:	+3:	730:	-7
	:	:	:	:	:	:	:	:

1/ 9 Provinces, excludes Newfoundland. 2/ Revised.

Hog numbers are on the upswing after the low of last year, and Canadian farmers plan for a 26 percent rise in fall hog farrowings over 1956. (Continued on page 24.)

The hog-barley ratio at Winnipeg and the hog-feed ratio at Toronto are unusually high, thus making hog production relatively profitable. In addition, the cattle-hog ratio at Toronto, which gives the relationship between the prices of steers and hogs on the hoof, is unusually low. This indicates that hogs are relatively more profitable than steers in Canada at present. The average price of Grade A, dressed hog carcasses at Toronto reached the high of \$37.75 per hundred pounds for the week ending July 27, 1957. Using an estimated 75 percent yield, this is equivalent to \$28.32 per 100 pounds live weight.

FARROWINGS: Canada 1/, June-November 1953-57

Class	1953	1954	1955	1956	1957
	1,000	1,000	1,000	1,000	1,000
	<u>head</u>	<u>head</u>	<u>head</u>	<u>head</u>	<u>head</u>
Sows farrowed.....	460	510	540	<u>2/</u> 415	<u>3/</u> 522
Pigs saved.....	3,700	3,970	4,118	<u>2/</u> 3,287	---

1/ 9 Provinces, excludes Newfoundland. 2/ Revised. 3/ Sows bred to farrow.

Source: Dominion Bureau of Statistics.

NEW ZEALAND MEAT PRODUCTION
NEAR LAST YEAR'S

New Zealand's production of meat for export has increased in 1956-57 and is now only slightly less than record production in 1955-56. Although it was feared earlier that production would be low this season, good climatic conditions have caused increased meat production. Slaughter on the South Island is still considerably below last season's level, due to the building up of breeding stock after heavy slaughter during last year's drought.

U. S. TALLOW AND GREASE EXPORTS
DOWN SLIGHTLY IN JANUARY-JUNE

United States' exports of inedible tallow and greases during January-June totaled 775.8 million pounds. This was about 3 percent below the record 797 million pounds shipped during the corresponding period a year earlier.

Asia was the only major marketing area that increased tallow purchases from the United States over this period. Exports to Europe, which accounted for about 62 percent of U. S. tallow trade in 1956, were down about 9 percent in January-June. The increase in shipments to Asia resulted primarily from the tallow exported to Turkey under Public Law 480.

INEDIBLE TALLOW AND GREASES 1/: U.S. exports, by country of destination,
average 1935-39, annual 1955-56, and January-June, 1956-57

Continent and country	Average 1935-39	1955	1956 2/	January - June		
				1956 2/	1957 2/	1957 Increase or decrease (-)
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
North America:						
Canada.....	4,352	20,481	26,604	9,835	8,058	-1,777
Cuba.....	1,076	29,269	39,176	17,621	13,632	-3,989
Dominican Republic.....	264	3,084	3,843	1,662	1,576	-86
El Salvador.....	---	5,478	3,947	2,255	874	-1,381
Guatemala.....	196	3,553	5,075	2,874	2,246	-628
Mexico.....	266	53,134	58,906	26,077	18,302	-7,775
Other.....	360	7,569	6,418	3,247	3,705	458
Total.....	6,514	122,568	143,969	63,571	48,393	-15,178
Europe:						
Austria.....	3/	5,358	7,670	4,089	2,974	-1,115
Belgium-Luxembourg.....	500	68,936	71,656	38,314	22,534	-15,780
France.....	70	16,816	4,533	1,386	8,805	7,419
Germany, Fed. Rep. 2/ 4/.....	98	109,703	139,644	74,521	49,407	-25,114
Ireland.....	2	8,982	5,925	4,689	167	-4,522
Italy.....	308	190,654	272,353	140,959	124,663	-16,296
Netherlands.....	1,364	261,968	237,975	135,755	138,192	2,437
Norway.....	98	3,276	2,677	1,849	507	-1,342
Poland.....	0	1,741	16,017	15,121	23,015	7,894
Spain.....	0	7,441	31,553	17,687	31,785	14,098
Switzerland.....	112	29,201	29,306	13,795	9,256	-4,539
United Kingdom.....	514	6,359	18,331	10,775	1,574	-9,201
Yugoslavia.....	2	23,944	24,117	24,117	21,835	-2,282
Other.....	230	8,936	23,185	11,647	15,463	3,816
Total.....	3,298	743,315	884,942	494,704	450,177	-44,527
Asia:						
Japan.....	102	203,161	211,152	108,019	132,604	24,585
Korea.....	---	16,329	18,007	9,493	8,997	-496
Philippines.....	50	12,193	13,906	7,084	5,793	-1,291
Formosa.....	---	23,609	27,297	11,245	10,032	-1,213
Other.....	58	19,898	21,151	4,835	5/38,496	33,661
Total.....	210	275,190	291,513	140,676	195,922	55,246
Africa:						
Egypt.....	4	36,833	49,499	26,313	36,293	9,980
Rhodesia-Nyasaland.....	---	5,053	5,978	2,412	2,095	-317
Un. of So. Af.....	14	59,283	68,836	38,591	23,820	-14,771
Other.....	---	5,039	8,268	5,395	1,073	-4,322
Total.....	18	106,208	132,581	72,711	63,281	-9,430
South America:						
Chile.....	6	6,961	4,931	4,385	157	-4,228
Colombia.....	82	23,889	12,274	6,384	4,599	-1,785
Ecuador.....	2	7,736	9,940	5,531	4,033	-1,498
Peru.....	38	9,723	10,907	5,854	4,835	-1,019
Other.....	60	7,007	8,354	3,207	3,693	486
Total.....	188	55,316	46,406	25,361	17,317	-8,044
Australia & Oceania..	96	---	---	---	---	---
Other 6/.....	---	---	---	---	677	677
World total.....	10,324	1,302,597	1,499,411	797,023	775,767	-21,256

1/ Includes: Inedible tallow, inedible animal greases and fats, inedible animal oils, nes, neatsfoot oil and stocks, oleic acid or red oil and stearic acid. 2/ Preliminary. 3/ Austria included with Germany. 4/ Prior to Jan. 1952, reported as Germany. 5/ U.S. exported approximately 35 million pounds to Turkey. 6/ Includes a small quantity, final designation not specified.

DANISH PORK PRICES DROP

During the 3-week period, July 18 to August 1, 1957, Danish pork prices on the United Kingdom market declined by about 15 percent, due to increasing supplies and ample pork stocks in the United Kingdom, coupled with rather low demand.

Danish farm leaders have been concerned for some time over the continued increase in the number of hogs in Denmark. Representatives of Danish bacon factories recently proposed 3 measures to alleviate the condition: (1) Payment of a premium price for bred sows delivered for slaughter; (2) reduction of weight limits to encourage the slaughter of younger and smaller stocks; and (3) intensification of sales promotion activities in markets other than the United Kingdom. In this latter respect, considerable thought was given to increasing sales to the U.S.S.R.

FRANCE EXPECTED TO ANNOUNCE NEW FIXED PRICES FOR 1957 GRAIN CROPS

Reports indicate that France will shortly announce the base fixed price to be paid for the 1957 wheat crop and the floor prices for other grains.

While complete details are not yet available, the new prices in francs per quintal, with dollar per bushel equivalents shown in parentheses, are expected to be as follows: wheat, 3,350 (\$2.60); barley, 2,620 (\$1.63); rye, 2,680 (\$1.95); corn, 3,600 (\$2.61); and denatured wheat for feed, 2,650 (\$2.06).

These prices will be subject to a tax for partial support of the government's export program. This tax is expected to amount to 180 francs per quintal for wheat, 120 francs for barley, and 125 francs for rye. The base wheat price will be applicable only to 6.8 million metric tons to be purchased by the government.

U. S. MEAT EXPORTS RISE

Exports of United States meat during the first half of 1957 totaled 124,660,000 pounds, a rise of 58 percent over exports during the same period in 1956.

The sharp rise was largely due to increased exports of fresh and frozen beef and veal, which rose from 25 million to 55 million pounds, and to larger exports of canned pork, which rose from 2 million to 13 million pounds. Combined, these two categories rose 41 million pounds and accounted for 89 percent of the total increase of 46 million pounds over meat exports during the first half of 1956. Large shipments of frozen beef to Spain and of canned pork to the Republic of Korea under Public Law 480 accounted for these increases.

U. S. exports of variety meats dropped slightly for the first time since they started their rapid rise in 1953, while horsemeat exports continued their steady decline (see Foreign Crops and Markets, June 25, 1957).

MEAT AND MEAT PRODUCTS: U. S. exports, product weight basis,
January-June, 1955-57

Type	1955	1956	1957
	1,000	1,000	1,000
	pounds	pounds	pounds
Beef and veal:			
Fresh or frozen.....	14,665	25,362	55,157
Canned.....	1,595	2,325	1,866
Pickled or cured.....	7,213	7,278	8,484
Total beef and veal.....	23,473	34,965	65,505
Pork:			
Fresh or frozen.....	3,065	3,962	2,868
Hams and shoulders, cured or cooked...	6,648	8,524	7,980
Bacon 1/.....	1,815	897	1,170
Other pork, pickled, salted, or otherwise cured.....	21,693	24,039	21,438
Hams and shoulders, canned.....	474	420	2,785
Other pork, canned.....	1,674	2,234	12,716
Total pork.....	35,369	40,076	48,957
Lamb and mutton (except canned).....	177	318	644
Sausage, bologna and frankfurters:			
Except canned.....	854	1,072	2,090
Canned.....	1,733	2,228	4,425
Meat and meat products, canned n.e.c....	951	1,484	2,460
Baby food, canned.....	224	240	579
Total meat exports.....	62,781	78,659	124,660
Horsemeat (all kinds).....	7,833	5,870	3,873
Variety meats (except canned).....	28,078	50,376	45,813
Total meat and meat products.....	98,692	134,905	174,746

1/ Includes Cumberland and Wiltshire sides.

Source: U. S. Bureau of the Census.

EAST GERMAN CATTLE NUMBERS LOW

During 1956, East German cattle numbers dropped 1.3 percent from the previous year, according to the livestock count made in December 1956. Cattle numbers in East Germany have been falling for several years, in spite of the Communist government's efforts to encourage expansion of livestock numbers.

High prices for milk, moreover, have encouraged East German producers to turn from beef to dairy production and have brought a rise in cow numbers, most of which are kept for milk. The increase reported in total meat-marketing reflects an increase in production of pork, which has been bringing better returns than beef in recent years. (See Foreign Crops and Markets, February 25, 1957.)

CATTLE AND MEAT: East Germany, number of cattle on farms and meat marketed, average 1935-38, annual 1952-56

Year	Number of cattle on farms		Meat marketed	
	All cattle	Cows	Beef <u>1/</u>	All meat
	1,000 head	1,000 head	Million pounds	Million pounds
1935-38 ave.	3,600	1,900	<u>2/</u>	<u>2/</u>
1952.....	3,936	1,993	617	833
1953.....	3,796	2,018	829	972
1954.....	3,793	2,050	752	1,023
1955.....	3,759	2,100	750	1,093
1956.....	<u>3/</u> 3,710	<u>3/</u> 2,121	<u>2/</u>	1,162

1/ Probably live weight.

2/ Not available.

3/ Calculated from announced percentage changes.

Source: Statistical Year Book of German Democratic Republic and unofficial sources.

AUSTRALIA GAINS WIDER OUTLET FOR ITS WHEAT IN JAPANESE MARKET

Australia's 3-year agreement of July 6 with Japan widens considerably the trade opportunities for Australian wheat in the Japanese market.

The agreement covers 2 types of Australian wheat, (1) soft white wheat of f.a.q. or lower grades and (2) grades of high protein wheat of f.a.q. quality. While the agreement does not definitely commit Japan to purchase specific quantities from Australia, it assures that Japan will make available foreign exchange for purchases of both soft white and high protein f.a.q. wheat from Australia on a competitive and non-discriminatory basis.

Australia has been concerned for a number of years at its inability to sell larger quantities of soft white wheat in the Japanese market. In negotiating the agreement, Australia was adamant in its request to be assured an equitable share of the Japanese market for that type of wheat. It was finally agreed that the precise share of the soft white wheat market to be regarded as equitable would be established through subsequent consultations between the two Governments. It was also agreed, however, that Japan's imports of that type of wheat from Australia would be 200,000 long tons (7.5 million bushels) in the early stages of the agreement with a yearly increasing trend thereafter.

It should be noted that the 200,000 tons applies only to Japanese imports from Australia of f.a.q. soft white wheat. In recent years, Japan has been a good customer for semi-hard Australian wheat and has purchased at premium prices as much of that type of wheat as could be made available. So far as hard, high protein wheat is concerned, Japan seems to be willing to take as much as Australia can supply. Australia's production of this class of wheat is relatively small and generally is earmarked for home consumption. However, the Australian Agricultural Council is encouraging expansion in production in areas which it believes can readily produce hard or medium-hard wheat.

Government and trade officials in Australia are confident that 7.5 million bushels of f.a.q. wheat will be shipped to Japan in 1957-58 and that shipments in subsequent years will increase to at least 10 million bushels. Including high protein wheat, Australian exports to Japan eventually may reach as high as 15 or 20 million bushels annually.

Japanese imports of wheat and flour during the first 11 months (July-May) of 1956-57, totaled 2,389,000 long tons (89 million bushels) grain equivalent. Of that quantity approximately 58 percent came from the United States, 37 percent from Canada, 4 percent from Australia and 1 percent from all other competing exporters. During the 5-year period ending June 30, 1956 imports averaged 1,892,000 tons (71 million bushels) annually, as follows: United States, 1,051,000 tons; Canada, 676,000 tons; Australia, 84,000 tons; and Argentina 81,000 tons.

NORTHERN HEMISPHERE WHEAT CROP EXPECTED TO BE LESS THAN IN 1956

The 1957 harvest of wheat in Northern Hemisphere countries is likely to be moderately below the record 1956 crop, judging from preliminary forecasts. Conditions vary widely in different areas, with a sharp decline expected in North America; partly offset by a substantial increase in Europe's total production this year. Though it is too early for complete information on Asia and Africa, a net reduction in total wheat production there is indicated.

In North America the largest reduction is expected in Canada, where growing conditions have been unfavorable over a large part of the wheat belt. As a consequence, yields are expected to be well below the average of recent years. The first official forecast of the crop is scheduled for August 30. Pending receipt of the official forecast, some trade sources are predicting that Canada's total may be less than 325 million bushels, only 60 percent of the 1956 harvest.

The latest official estimate places the United States crop at 915 million bushels, compared with 1956 production of 997 million. At the present forecast, the crop is the smallest since 1943 because of the reduced acreage, which is the smallest reported since 1904. Yields of all wheat are now estimated to average 21.2 bushels per acre, an alltime record. Production in Mexico is estimated at a new record of 47.8 million bushels.

On the basis of incomplete reports from Europe, the Continent will have a somewhat larger wheat harvest than in 1956. Wet weather held up harvesting in a number of countries and may have reduced actual quantities harvested, as well as lowering the quality of the grain in some areas. Increases in a few countries, however, appear large enough to assure a substantial net gain for Europe even though later returns should confirm losses in some parts because of the unfavorable harvest weather. Sharp increases in France and Yugoslavia alone appear sufficient to assure a substantial increase over the small 1956 European wheat outturn. Preliminary forecasts place the French crop at 378 million bushels, 170 million bushels more than in 1956. The increase in Yugoslavia though smaller, is still substantial. The current crop is reported at 110 million bushels, compared with the poor outturn of 65 million bushels a year ago.

In the Soviet Union, wheat acreage for harvest is officially estimated to be 18.5 million acres larger than in 1956. This brings total wheat acreage for this year's harvest to about 170 million acres, an alltime record. Conditions are spotty, with drought in some important regions reducing yield prospects.

No significant changes are indicated for Asia's wheat total. Reports received so far indicate increased production in India and in Pakistan, partly offset by smaller crops in other reporting countries. Little information is available for Mainland China, the principal producer of Asia. The size of that country's outturn will be of great significance in determining the continental total.

A reduced wheat crop is indicated for Africa. Sharply reduced harvests in both Morocco and Algeria are reported. Production in Egypt is reported to be about the same as in 1956, and Tunisia reports a minor increase over last year.

AUSTRIA'S GRAIN PROSPECTS DETERIORATING

Grain prospects deteriorated in Austria during June and early July because of abnormal heat and continued drought. Yield prospects, which had been excellent during the spring and early summer, were reduced materially, especially in eastern Austria. As a consequence, import requirements for breadgrains and feedgrains will be larger than had been expected.

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